

## Special Open Door Forum

"How to Participate in the Quality Improvement Organization Program's 9th Statement of Work"

November 29, 2007

1:00 PM - 2:30 PM

### Objectives

- To inform potential and incumbent Quality Improvement Organizations (QIOs) of opportunities in the 9th Statement of Work (SOW).
- To reiterate CMS' goals and themes for the 9th SOW.
- To provide an opportunity for questions.
- Finally, to kick-off the first step in the contract process for the 9th SoW.

### Areas of Discussion

- \* QIO Background
- \* 9th SOW Themes and Contract Structure
- \* Approaches to Information Technology in 9th SOW
- \* QIO Governance Guidelines
- \* QIO Conflict of Interest
- \* Eligibility Requirements
- \* Nebraska QIO's Experience
- \* Questions and Answers

### QIO Background

In designing the 9th SoW, CMS sought broad input from the Department of Health and Human Services (DHHS), Congressional Committees, and existing QIOs as a result of recommendations received from the following:

- Government Accountability Office (GAO),
- The Institute of Medicine (IOM), and
- Congress.

### Summary of Potential Contracting Opportunities in the 9th SoW

- CMS is committed to increasing competition within the QIO Program.
- Contractors can bid on competitive QIO State contracts.
- Contractors can explore partnerships with current QIOs.
  - Directory of current QIO contractors on: [www.Medqic.org](http://www.Medqic.org)

### Subcontracting Opportunities

Potential contractors will have opportunities to subcontract with existing QIOs in the 9th SoW.

## Quality Improvement Organization Background

- 53 QIO Contracts
- 3 year contracts (by law)
- 8th SOW Program Budget: \$1.2 billion (FY 05-07)
- Cost-plus-base-fee and award fee contracts
- CMS will utilize the Federal Acquisition Regulation's structured process for determining fees
- Medicare Quality Improvement Community (MedQIC) supports QIOs and providers in finding, using, and sharing quality improvement resources.

## The QIO 9th Statement of Work: Content

The 9th SOW is a completely re-designed program

GOALS: to help providers

- Prevent Illness
- Decrease Harm to Patients
- Reduce Waste in Healthcare

## 9th Scope of Work Redesign:

- Supports the Secretary of DHHS's Priorities
- Emphasizes Achieving Value and Efficiency in Health Care
- Increases Competition
- Responds to Criticism of earlier QIO contracts

## 9th Statement of Work Themes:

- o Beneficiary Protection (case review)
- o Prevention
- o Patient Safety
- o Care Coordination/Patient Pathways

## Cross-Cutting Themes

- \*Promoting the use of Health Information Technology & Electronic Health Records (EHRs),
- \*Reducing Health Care Disparities, and
- \*Emphasizing Value in Health Care

## 1. Beneficiary Protection

Mandatory case review activity is linked to quality improvement

Case review categories:

- Utilization review
- Quality of care review
- Review of beneficiary appeals of certain provider notices,
- Reviews of potential Emergency Medical Treatment & Labor Act

(EMTALA) cases

Quality of care review includes the review of beneficiary complaints.

Beneficiary protection activities will emphasize statutory and regulatory mandated review activity while establishing a clear link to quality improvement through data analysis and improvement assistance.

## 2. Prevention

### a. CORE

QIOs will work with physician offices to improve utilization of preventive services.

- Adult Immunization
- Cancer Screening

Builds on 8th SOW activity to encourage adoption of EHRs in physician offices (Doctors Office Quality-Information Technology - DOQ-IT & DOQ-IT University)

### b. Disparities

- Disparity reduction will be part of the entire contract, but also
- Focused Disparity Reduction Project:
  - QIO work will address proper preventive care for the diabetic population

- HbA1C test according to guidelines
- Diabetic retinopathy eye exams according to guidelines
- Lipid testing according to guidelines

### c. Chronic Kidney Disease (CKD)

- Increase the detection and decrease the progression of Chronic Kidney Disease (CKD)
- QIOs will work with the health care community to:
  - Ensure timely testing to increase the detection and treatment of early stage CKD
  - Slow disease progression by use of angiotensin converting enzyme (ACE) inhibitor and/or angiotensin receptor blocking (ARB) agent
  - Encourage the appropriate use of arteriovenous (AV) fistulas for dialysis access

## 3. Patient Safety

- QIO Patient Safety Efforts
  - Reduce avoidable pressure ulcers
  - Reduce use of physical restraints
  - Continue Surgical Care Improvement Project (SCIP)
  - Work with hospitals to reduce the incidence of Methicillin-resistant Staphylococcus Aureus (MRSA) infections (with CDC & AHRQ)
  - Improve drug safety

## 4. Care Coordination/Patient Pathways

- QIOs will work with Community Health Systems to decrease the rate of unnecessary hospitalizations:
  - Recruiting hospitals, physicians, home health agencies, skilled nursing facilities, dialysis facilities.
  - Involving consumers
  - Convening collaborators to improve transitions of care
  - Specific attention to medication reconciliation
  - Help providers obtain and interpret data

9th SoW Contract Structure: Core QIO Work

- National Work (all QIOs)
  - Beneficiary Protection
  - Core Prevention (Adult Immunization & Cancer Screening)

- Patient Safety (as determined by need)
- Sub-national Work (select QIOs)
  - CKD (Prevention Theme) and Care Coordination/Patient Pathways (entire Theme)
- Must be the designated QIO in the State to conduct this work.
- Prevention: Disparities Focus (33 QIOs based on State need)

#### Continuous Contract Evaluation

- 9th SoW contract will contain frequent, pre-determined performance metrics that must be met by all QIOs.
- Failure to meet interim performance requirements will result in consequences to the contractor.
- Failure to meet specific 18-month performance goals may result in the need for the QIO to obtain expertise from subcontractor or consultant.

#### QIO Support

- Contracts to support QIOs in 9th SoW implementation
  - Potential opportunity for contractors to win contracts
  - A support contract would provide valuable opportunity for a non-QIO to gain program experience
  - Information Technology Support, in many domains, is one area of emphasis of this contract

#### QIO Program's 9th SoW Timeline

- Publish a Sources Sought Announcement in Federal Business Opportunities for Competitive QIO contracts 12/2007
- Publish In-State/Out-of-State Notice in the Federal Register 12/2007
- Contract Start Date 08/2008
- Post Award Conference (Quality Net Conference) 08/2008

#### Approaches to Information Technology in 9th SOW

##### QIO Information Systems

- QIO Program Infrastructure is one component of the Health Care Quality Improvement System (HCQIS) Major Application
- HCQIS is a major application environment that uses application groups, shared database servers, and Wide Area Network (WAN) resources to monitor and improve utilization and quality of care for Medicare and Medicaid beneficiaries. HCQIS is composed of 4 application groups:
  - Value Based Purchasing IT Infrastructure for Physician Quality Reporting Initiative (PQRI) and Hospital Outpatient
  - Consolidated Renal Operations in a Web-Enabled Network (CROWNWeb)
  - Standard Data Processing System (SDPS) for QIOs including the Clinical Data Abstraction Center (CDAC)
  - Quality Improvement and Evaluation System (QIES) for states and CMS
- SDPS is an application group whose purpose is to provide hardware and software tools to enable QIO personnel to fulfill the requirements of the contract.
- SDPS applications will support the 9th SOW themes and tasks associated with those themes.
- In addition to the underlying applications to support the 9th SOW, CMS will develop and implement a Management Information System for improved accountability.

##### SDPS Strategic Direction

- CMS, the Office of Clinical Standards and Quality, seeks to deliver quality products on time by managing scope and employing an effective Systems Development Life Cycle.
- CMS seeks to achieve efficient use of resources by aligning with enterprise efforts such as:
  - Utilizing agency service agreements where available (AT&T, Cognos, etc.)
  - Adopting enterprise standards
  - Adhering to security requirements
  - Using the Enterprise System Development mechanism when possible

#### IT Potential Contract Opportunities

- Our general contracting strategy is to evaluate all contracts and determine the best acquisition strategy in coordination with CMS' Office of Acquisition and Grants Management and Office of Information Systems.
- Management Information System (MIS):
  - The contract to build the MIS will be available for competition.

#### QIO Governance Guidelines

- The QIO governing body shall develop and implement a compliance program.
- The QIO shall make publicly available on its website information regarding its governing body, including number of members, names, length of appointment, cap on service, when appointments are made, affiliation and compensation (unless prohibited by state law).
- The QIO shall specify the number of members on its governing body and should not exceed 20 voting members.
- Governing body members shall include representatives of a variety of healthcare settings and/or disciplines as well as of non-healthcare backgrounds.
- CMS compliance guidance can be found at:  
[http://www.cms.hhs.gov/MedicareContractingReform/12\\_ComplianceProgramGuidance.asp#TopOfPage](http://www.cms.hhs.gov/MedicareContractingReform/12_ComplianceProgramGuidance.asp#TopOfPage)
- The governing body must also have at least one beneficiary/consumer representative.
- The QIO shall also adopt a policy ensuring that at least two-thirds of the governing body members are independent.
- The QIO shall adopt a cap on consecutive governing body member service time of six years.
- The QIO shall have a quorum rule of the governing body that states no business can be conducted unless a majority of the members present are independent members.
- The duties of the governing body members shall be delineated in the by-laws of the QIO. Attendance and participation in at least 50 percent of the board meetings should be required.
- The QIO shall develop and implement annual performance evaluations for the members as well as an annual governing body self-assessment and performance improvement plan.

#### Conflict of Interest

- QIO business interests may create a conflict with their QIO contract.
- QIOs can't act on behalf of the Government and then receive contract awards from the same hospitals and health care facilities they oversee for CMS.
- QIO contracts contain conflict of interest provisions (COI) to protect the Government.
- Current clause will be revised for the 9th SOW.
- COIs need to be disclosed and resolved.
- Can't award a contract with conflicts.
- Contractors need compliance programs.
- Conflicts can take place with providers, payors or health plans

- Red flag: If you contract with a provider, payor or health plan in your area.
- Many unique business relationships may present a conflict.
- Can enter into contracts outside of your QIO state area.
- Can enter into an arrangement if it is less than 5% of contract total and all arrangements can't exceed 20% of the contract total.
- Need to consider subcontractor flow-downs.
- Contractor needs to prepare mitigation plans for conflicts.
- Reporting is required each year.

#### Eligibility Requirements

Every organization conducting quality improvement activities as a QIO must be either:

- Physician-Sponsorship or Physician-Access, and must
  - Demonstrate its ability to perform review as set forth in section 475.104 of the Code of Federal Regulations (CFR)
- Please refer to the Social Security Act Sec. 1154. [42 U.S.C. 1320c-3] for explicit details about the functions of a QIO

#### Physician-Sponsored Organization

- Be composed of at least 20 percent of the licensed doctors of medicine and osteopathy practicing in the review area; or
- Demonstrate through letters of support from physicians, physician organizations, or through other means, that it is representative of the area physicians.
- Not be a health care facility, health care facility association, or health care facility affiliate, as specified in 475.105. of the CFR.

#### Physician-Access Organization

- Has available to it the services of a sufficient number of licensed doctors of medicine or osteopathy practicing in the area to assure adequate peer review of the services provided (42 CFR 475.103).
- Not be a health care facility, health care facility association, or health care facility affiliate, as specified in Section 475.105.
- Has available to it at least one physician in every generally recognized specialty; and
- Has an arrangement with physicians under which the physicians would conduct review for the organization.

#### Ability to Perform Review

- A physician-sponsored or physician-access organization will be found capable of conducting review if CMS determines that the organization is able to set quantifiable performance objectives; and
- Perform the utilization and quality review functions established under section 1154 of the Social Security Act in an efficient and effective manner.

CMS will determine that the organization is capable of conducting utilization and quality review if:

- (1) The organization's proposed review system is adequate and secure;
- (2) The organization has available sufficient resources (including access to medical review skills) to implement that system; and
- (3) The organization's quantifiable objectives are acceptable.

- Keys to becoming a successful QIO:
  - Subcontracting Arrangements
    - \* CIMRO subcontracted with an incumbent QIO during the 1st, 2nd, and 3rd SoWs.
  - Contractor Governance
    - \* Strong stakeholder representation can provide the right infrastructure and tools.
  - Physician-Access
    - \* Given the time constraints, getting the support of the state medical association was the best alternative for CIMRO.
  - Committed to its mission to improve Health Care delivery

#### Additional Resources

Overview of QIO Program: <http://www.cms.hhs.gov/QualityImprovementOrgs/>

QIO Compliance Guidelines:

[http://www.cms.hhs.gov/MedicareContractingReform/12\\_ComplianceProgramGuidance.asp#TopOfPage](http://www.cms.hhs.gov/MedicareContractingReform/12_ComplianceProgramGuidance.asp#TopOfPage)

MedQIC: <http://www.medqic.org>

OMB 300 link for SDPS Report:

<http://www.HHS.gov/ocio/CAPITALPLANNING/EXHIBIT300/> [Look under CMS, Q-net (formerly SDPS) (PDF-269.47 KB)]

SDPS Memorandum: "Guidelines For Contractor Governance and Senior Staff and Governing Body Structure." [To be posted]

QIO-like entity website:

[http://www.cms.hhs.gov/QualityImprovementOrgs/03\\_HowtoBecomeaQIO.asp#TopOfPage](http://www.cms.hhs.gov/QualityImprovementOrgs/03_HowtoBecomeaQIO.asp#TopOfPage)

OMB Circular #122, Cost Principles for Non-Profit Organizations link:

<http://www.whitehouse.gov/omb/circulars/a122/a122.html>

Government Printing Office's link to the Code of Federal Regulations:

<http://www.gpoaccess.gov/nara/index.html>

"Compliance Provisions of the Deficit Reduction Act of 2007" link:

<http://www.globalcompliance.com/deficit-reduction-act-dra>

Federal Acquisition Regulations requirement for an Ethics and Compliance plan:

[http://www.access.gpo.gov/su\\_docs/aces/fr-cont.html](http://www.access.gpo.gov/su_docs/aces/fr-cont.html)

For any questions or concerns regarding Small Business issues, please contact:

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#### Summary

#### Questions and Answers

Suggestions and Recommendations: Please feel free to submit your suggestions and recommendations to: [OCSQBox@cms.hhs.gov](mailto:OCSQBox@cms.hhs.gov) with "Open Door Forum-Nov 29" in the subject line.